Future Healthcare of America
Form 10-Q
August 01, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2013

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from

to

Commission File No. 000-54917

FUTURE HEALTHCARE OF AMERICA

(Exact name of registrant as specified in its charter)

WYOMING	45-5547692
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5001 Baum Boulevard, Suite 770

Pittsburgh, Pennsylvania 15213

(Address of Principal Executive Offices)

Registrant's Telephone Number: (412) 621-0902

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. (1) Yes [X] No[ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of large accelerated filer , accelerated filer and smaller reporting compan in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

As of August 1, 2013, there were 10,163,249 shares of common stock, par value $0.001, of the registrant issued and outstanding.

PART I - FINANCIAL INFORMATION

The Unaudited Consolidated Financial Statements of Future Healthcare of America, a Wyoming corporation (the Company, FHA, we, our, us and words of similar import) were prepared by management and commence on the following page, together with related notes. In the opinion of management, the Unaudited Consolidated Financial Statements fairly present the financial condition of the Company.

Future Healthcare of America

Index to Unaudited Financial Statements

FUTURE HEALTHCARE OF AMERICA

UNAUDITED CONSOLIDATED BALANCE SHEETS

	June 30, 2013		December 31, 2012	
CURRENT ASSETS:				
Cash	313,916		208,458	
Accounts receivable	541,350	[1]	576,116	[1]
Prepaid expenses	72,573		71,925	
Deferred tax asset, current	7,318		7,318	
Total current assets	935,157		863,817	
PROPERTY AND EQUIPMENT, net	256		615	
GOODWILL	79,809		79,809	
DEFERRED TAX ASSET, NET	424,264		424,264	
Total assets	1,439,486		1,368,505	
CURRENT LIABILITIES:				
Accounts payable	73,674		64,503	
Accrued expenses	111,444		155,569	
Deferred revenue	7,722		1,949	
Total current liabilities	192,840		222,021	
DEFERRED TAX LIABILITY, NET	0		0	
Total liabilities	192,840		222,021	
STOCKHOLDERS' EQUITY				
Common stock	10,163	[2]	10,063	[3]
Additional paid-in capital	1,220,123		1,205,223	
Retained earnings (deficit)	16,360		(68,802)	
Total stockholders' equity	1,246,646		1,146,484	
Total liabilities and stockholders' equity	1,439,486		1,368,505	

[1] net of $20,200 allowance

[2] $.001 par value, 200,000,000 shares authorized, 10,163,249 shares issued and outstanding.

[3] $.001 par value, 200,000,000 shares authorized, 10,063,249 shares issued and outstanding.

The accompanying notes are an integral part of these financial statements.

FUTURE HEALTHCARE OF AMERICA

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	April 1 to June 30, 2013	April 1 to June 30, 2012	Jan. 1 to June 30, 2013	Jan. 1 to June 30, 2012
REVENUE				
Total Revenue	1,083,188	1,166,954	2,295,799	2,175,248
COST OF SERVICES				
Total Cost of Services	738,980	758,576	1,577,842	1,427,636
Gross Profit	344,208	408,378	717,957	747,612
OPERATING EXPENSES				
Selling expenses	17,454	23,494	37,741	40,886
General and administrative	108,805	73,683	214,409	160,034
Salaries, wages and related expenses	157,930	133,650	319,114	272,910
Professional and consulting fees	6,223	3,711	63,963	7,867
Total Operating Expenses	290,412	234,538	635,227	481,697
INCOME FROM OPERATIONS	53,796	173,840	82,730	265,915
OTHER INCOME (EXPENSE):				
Interest income	34	43	45	139
Interest expense	0	0	0	0
Other income (expense)	0	17	2,387	892
Total Other Income (Expense)	34	60	2,432	1,031
INCOME BEFORE INCOME TAXES	53,830	173,900	85,162	266,946
CURRENT INCOME TAX EXPENSE (BENEFIT)	0	0	0	0
DEFERRED INCOME TAX EXPENSE (BENEFIT)	0	0	0	0
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	53,830	173,900	85,162	266,946
BASIC INCOME PER COMMON SHARE	0.01	0.02	0.01	0.03
BASIC WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	10,103,908	10,063,249	10,083,691	10,063,249
DILUTED INCOME PER COMMON SHARE -	0.01	0.02	0.01	0.03
DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	10,103,908	10,063,249	10,083,691	10,063,249

The accompanying notes are an integral part of these financial statements.

FUTURE HEALTHCARE OF AMERICA
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

		June 30, 2013		June 30, 2012
Cash Flows from Operating Activities				
Net income	$	85,162	$	266,946
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization expense		358		1,778
Stock issued to employee		15,000		0
Change in assets and liabilities:				
Accounts receivable		34,766		(224,697)
Prepaid expenses		(647)		(14,794)
Accounts payable		9,171		(19,081)
Accrued expense		(44,124)		(1,624)
Deferred revenue		5,772		3,485
Net Cash Provided by Operating Activities		105,458		12,013
Cash Flows from Investing Activities:				
Purchase of property & equipment		0		0
Net Cash Used in Investing Activities		0		0
Cash Flows from Financing Activities:				
Payments (to)/from FAB Universal		0		(161,571)
Net Cash Provided/ (Used) by Financing Activities		0		(161,571)
Net Increase (Decrease) in Cash		105,458		(149,558)
Cash at Beginning of Period		208,458		535,145
Cash at End of Period	$	313,916	$	385,587
Supplemental Disclosures of Cash Flow Information				
Cash paid during the periods for:				
Interest		0		0
Income taxes		0		0

Supplemental Disclosures of Non-Cash Investing and Financing Activities:

For the Six Months Ended June 30, 2013 and 2012

None

The accompanying notes are an integral part of these financial statements

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization On June 22, 2012, FAB Universal (FAB) formed Future Healthcare of America (FHA), a wholly owned subsidiary. On October 1, 2012, FHA operations were spun-off in a 1 for 1 dividend to the shareholders of record of FAB on September 5, 2012, the record date. Interim Healthcare of Wyoming, Inc. ("Interim"), a Wyoming corporation, a wholly owned subsidiary of Future Healthcare of America, was organized on September 30, 1991. Interim operates primarily in the home healthcare and healthcare staffing services in Wyoming and Montana. On April 3, 2007, Interim purchased the operations of Professional Personnel, Inc., d.b.a., Professional Nursing Personnel Pool.

Spin-Off The common shares outstanding, common stock and additional paid in capital have been restated in the June 30, 2012 financial statements to reflect the 10,063,249 common shares, issued by Future Healthcare of America to shareholders of record of FAB Universal on September 5, 2012 to effectively spin-off the operations.

Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Management made assumptions and estimates for determining reserve for accounts receivable, obsolete inventory and in determining the impairment of definite life intangible assets and goodwill. Actual results could differ from those estimated by management.

Reclassification The financial statements for the period ended prior to June 30, 2013 have been reclassified to conform to the headings and classifications used in the June 30, 2013 financial statements.

Cash and Cash Equivalents The Company considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents. At June 30, 2013, the Company had no cash balances in excess of federally insured limits.

Accounts Receivable - Accounts receivable consist of trade receivables arising in the normal course of business. At June 30, 2013 and 2012, the Company has an allowance for doubtful accounts of $20,200, which reflects the Company's best estimate of probable losses inherent in the accounts receivable balance. The Company determines the allowance based on known troubled accounts, historical experience, and other currently available evidence. During the six months ended June 30, 2013 and 2012, the Company adjusted the allowance for bad debt by $0.

Depreciation - Depreciation of property and equipment is provided on the straight-line method over the estimated useful lives.

Goodwill - Goodwill is evaluated for impairment annually in the fourth quarter of the Company s fiscal year, and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable. Triggering events that may indicate impairment include, but are not limited to, a significant adverse change in customer demand or business climate that could affect the value of goodwill or a significant decrease in expected cash flows. The company recorded an impairment charge of $1,109,852 on goodwill during the quarter ended December 31, 2012 as the estimated fair value of the reporting units was less than their estimated fair values.

Income /(Loss) Per Share - The Company computes income (loss) per share in accordance with Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 260 Earnings Per Share, which requires the Company to present basic earnings per share and diluted earnings per share when the effect is dilutive (see Note 7).

Leases - The Company accounts for leases in accordance with Financial FASB ASC Topic 840, ("Accounting for Leases"). Leases that meet one or more of the capital lease criteria of standard are recorded as a capital lease, all other leases are operating leases.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Income Taxes - The Company accounts for income taxes in accordance with FASB ASC Topic 740 Accounting for Income Taxes. This topic requires an asset and liability approach for accounting for income taxes (see Note 5).

Advertising Costs - Advertising costs are expensed as incurred and amounted to $24,158 and $24,280 for the periods ending June 30, 2013 and 2012, respectively.

Fair Value of Financial Instruments - The Company accounts for fair value measurements for financial assets and financial liabilities in accordance with FASB ASC Topic 820. The authoritative guidance, which, among other things, defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or nonrecurring basis. Fair value is defined as the exit price, representing the amount that would either be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1. Observable inputs such as quoted prices in active markets for identical assets or liabilities;

Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Unless otherwise disclosed, the fair value of the Company s financial instruments including cash, accounts receivable, prepaid expense, accounts payable and accrued expenses approximates their recorded values due to their short-term maturities.

Revenue Recognition - Revenue is generated from various payer s including Medicare, Medicaid, Insurance Companies, and various other entities and individuals. In accordance with FASB ASC Topic 605, Revenue is recognized when persuasive evidence of an arrangement exists, services have been provided, the price of services is fixed or determinable, and collection is reasonably assured. Payments received prior to services being provided are recorded as a liability (deferred revenue) until such services are performed. Revenue is recorded as net revenue where contractual adjustments and discounts are deducted from Gross Revenue to determine net revenue.

Recently Enacted Accounting Standards

Recent accounting pronouncements issued by the FASB did not or are not believed by management to have a material impact on the Company s present or future financial statements.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - PROPERTY & EQUIPMENT

The following is a summary of property and equipment at:

	Life		June 30, 2013		December 31, 2012
Furniture, fixtures and equipment	2-10 yrs	$	36,384	$	50,397
			36,384		50,397
Less: Accumulated depreciation			(36,128)		(49,782)
Property & equipment, net		$	256	$	615

Depreciation expense for the periods ended June 30, 2013 and 2012 was $358 and $1,778, respectively.

NOTE 3 - GOODWILL

Impairment - During 2012, the Company performed its annual test of impairment of goodwill. Based upon the results of the analysis, it was determined that the goodwill was impaired. The Company recorded an impairment charge of $1,109,852 as a result of impairment testing.

Goodwill - The following is a summary of goodwill:

	For the periods ended			
		June 30, 2013		December 31, 2012
Goodwill at beginning of period	$	79,809	$	1,189,661
Impairment		-		(1,109,852)
Goodwill at end of period	$	79,809	$	79,809

Goodwill consists of:	June 30, 2013	December 31, 2012

Interim Healthcare of Wyoming - Billings	$	79,809	$	79,809
Total Goodwill	$	79,809	$	79,809

NOTE 4 - CAPITAL STOCK

Common Stock - The Company has authorized 200,000,000 shares of common stock, $0.001 par value. As of June 30, 2013, 10,163,249 shares were issued and outstanding.

Spin-Off The common shares outstanding, common stock and additional paid in capital have been restated in the June 30, 2012 financial statements to reflect the 10,063,249 common shares, issued by Future Health Care of America to shareholders of record of FAB Universal on September 5, 2012 to effectively spin-off the operations.

On May 24, 2013, the Company issued 100,000 common shares valued at $15,000 to employees for services rendered.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 - INCOME TAXES

The Company accounts for income taxes in accordance with FASB ASC Topic 740, Accounting for Income Taxes which requires the Company to provide a net deferred tax asset or liability equal to the expected future tax benefit or expense of temporary reporting differences between book and tax accounting and any available operating loss or tax credit carryforwards. At June 30, 2013 and December 31, 2012 the total of all deferred tax assets was $431,582 and $431,582, respectively, and the total of the deferred tax liabilities was $0 and $0, respectively. The amount of and ultimate realization of the benefits from the deferred tax assets for income tax purposes is dependent, in part, upon the tax laws in effect, the Company s future earnings, and other future events. The Company anticipates earnings in the near future and the realization of the benefit of the deferred tax assets.

We file U.S. federal, and U.S. states return, we are generally no longer subject to tax examinations for years prior to 2009 for U.S. federal and U.S. states tax returns.

NOTE 6 LEASES

Operating Lease - The Company leases office space in Casper, Wyoming for $4,750 a month through June 2018. The Company further leases space in Billings, Montana for of $1,447 a month through February 2014.

The future minimum lease payments for non-cancelable operating leases having remaining terms in excess of one year as of June 30, 2013 are as follows:

Twelve months ending June 30

Lease Payments

2014

70,284

2015

58,704

2016

58,704

2017

58,704

2018

58,704

Total Minimum Lease Payments

$

305,100

Lease expense charged to operations was $37,185 and $37,185 for the six months ended June 30, 2013 and 2012, respectively.

NOTE 7 INCOME/(LOSS) PER SHARE

The following data shows the amounts used in computing income (loss) per share and the weighted average number of shares of common stock outstanding for the periods presented for the periods ended:

	For the Three Months June 30		For the Six Months June 30	
	2013	2012	2013	2012
Income from continuing operations available to common stockholders (numerator)	$ 53,830	$ 173,900	$ 85,162	$ 266,946
Income available to common stockholders (numerator)	53,830	173,900	85,162	266,946
Weighted average number of common shares outstanding during the period used in loss per share (denominator)	10,103,908	10,063,249	10,083,691	10,063,249

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date and time of this report:

Item 2.   Management's Discussion and Analysis of Financial Condition and Results of Operations.

Safe Harbor Statement.

Statements made in this Form 10-Q which are not purely historical are forward-looking statements with respect to the goals, plan objectives, intentions, expectations, financial condition, results of operations, future performance and business of the Company, including, without limitation, (i) our ability to gain a larger share of the home healthcare industry, our ability to continue to develop services acceptable to our industry, our ability to retain our business relationships, and our ability to raise capital and the growth of the home healthcare industry, and (ii) statements preceded by, followed by or that include the words "may", "would", "could", "should", "expects", "projects", "anticipates", "believes", "estimates", "plans", "intends", "targets", "tend" or similar expressions.

Forward-looking statements involve inherent risks and uncertainties, and important factors (many of which are beyond the Company's control) that could cause actual results to differ materially from those set forth in the forward-looking statements, including the following, in addition to those contained in the Company's reports on file with the Securities and Exchange Commission: general economic or industry conditions, nationally and/or in the communities in which the Company conducts business, changes in the interest rate environment, legislation or regulatory requirements, conditions of the securities markets, changes in the home healthcare industry, the development of services that may be superior to the services offered by the Company, competition, changes in the quality or composition of the Company's services, our ability to develop new services, our ability to raise capital, changes in accounting principles, policies or guidelines, financial or political instability, acts of war or terrorism, other economic, competitive, governmental, regulatory and technical factors affecting the Company s operations, services and prices.

Accordingly, results actually achieved may differ materially from expected results in these statements. Forward-looking statements speak only as of the date they are made. The Company does not undertake, and specifically disclaims, any obligation to update any forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Business Highlights

Based in Casper, Wyoming, and Billings, Montana, FHA s wholly-owned subsidiary, Interim Healthcare of Wyoming, Inc., a Wyoming corporation (Interim), is an independent franchisee of Interim HealthCare that has been serving its community for 18 years and is part of the fast-growing home health segment of the healthcare industry, providing a wide range of visiting nurse services to the elderly, wounded and sick. It is one of the 300 independent home health agencies that comprise the Interim HealthCare network. Our business consists of providing healthcare services for those in need. We record all revenue and expenses and provide all services under one umbrella. Below is a description of our Home Healthcare and Staffing operations.

As the census (number of patients utilizing facilities) in the hospitals fluctuates, we are taking the necessary steps to position ourselves for the ups and downs of the census for these facilities. Our home healthcare service continued to be strong and provided a consistent stream of revenue during the second quarter of 2013. During the first six months of 2013, we saw the benefit of our positioning over the past three years. We experienced softening of our revenue in the second quarter as a result of the continued fluctuation of utilization of our Staffing services in Billings, Montana as well as continued growth in our home healthcare business in both Casper, Wyoming and Billings, Montana. Our home healthcare services continued to be strong and provided a consistent stream of revenue in the second quarter of 2013.

During the second quarter of 2013, FHA experienced a 7% decrease in revenue over the second quarter of 2012. This was driven by a decreased use in our staffing services in our Billings location coupled with decrease in our homecare services in our Casper location.

In 2013, as with most businesses in today s economy, we are approaching our healthcare business with some optimism. As for our operation in Billings, Montana and its focus on the medical staffing industry, we do anticipate an increase in the demand for our medical staffing services during the remainder of 2013. As such, we will continue to evaluate opportunities to expand the realm of services we offer. Promotional activities are being managed as the offices experience fluctuations in the day-to-day operations and as we embark on new business opportunities.

Our home healthcare business continues to be a substantial revenue generator for our Company as our country's population ages and new methods of patient data capture become critical components for delivering high quality, affordable healthcare services in a patient's home. Although this has been a gradual process, we continue to build a solid business that will offer a complimentary package of new technology and traditional services.

Home Healthcare

Through trained health care professionals, FHA provides home care services including senior care and pediatric nursing; physical, occupational and speech therapy. FHA offices deliver quality home care and treat each patient with genuine compassion, kindness and respect. FHA provides health care professionals at all skill levels, including registered nurses, therapists, LPN's and certified home health aides. FHA derives is revenue from multiple payer sources. These include Medicare, Medicaid, Insurance, Medicaid LTW, and Private Payers. Because our officers are located in areas that do not contain a large population base (less than 200,000 residents), we continually explore opportunities to increase our revenue with our current payer sources and expand through new sources of revenue. The healthcare team is utilized across all payer sources, including staffing services. Our customer base comes from referrals from hospitals, rehab facilities, nursing homes, assisted living facilities and previous patients.

In additional to our professional team, we employ a management team at each facility to handle the day to day direction of the office. This is provided by our Administrators. We also have a Director of Nursing in each location. This person is responsible for the day to day oversight of the service providers and ensuring the certified professionals obtain the necessary training to maintain their certificates as well as the training necessary to be in compliance with all regulating organizations.

Staffing

FHA offices provide nurses, nurse aides and management services to hospitals, prisons, schools, corporations and other health care facilities. FHA s success is based on our ability to recruit the best health care professionals and the responsiveness of our local managers to fill the needs of our clients in a timely manner. Additionally, we work with our clients should they decide they would like to hire our service professional on a full time basis. Another key to our success is the personal relationship that our management and sales team build with each of our existing and new clients. As noted previously, in order to reduce turnover of our service team by providing as many hours as possible, similar to the hours of a full-time employee, we utilize the same service team members across all payer sources.

As each of our businesses is located in smaller based population areas of the country, the competition is significantly heightened and the relationships maintained with our clients become very critical to the continued success of our operations.

As we provide diversified services and accept payments from multiple payer sources, we are not heavily dependent on a few clients in order for our business to be successful.

Results of Operations

Six Months Ended June 30, 2013 and 2012.

During the six months ended June 30, 2013, FHA recorded revenues of $2,295,799, a 6% increase over revenues of $2,175,248 for the same period in 2012. The increase for 2013 reflects an increase in revenue driven by the growth in our healthcare business in both locations offset by a reduction in staffing services in Billings, Montana.

For the six months ended June 30, 2013, cost of services totaled $1,577,842, a 11% increase as compared to $1,427,636 in the comparable period of 2012. This is a reflection of the costs associated with the increase in revenue as well as the incremental cost from the audit of our workers compensation audit resulting in increased fees. FHA posted a gross profit of $717,957 during the first six months of 2013, versus a gross profit of $747,612 for the first six months of 2012, a decrease of 4%.

FHA recorded total operating expenses of $635,227 during the first six months of 2013, a 32% increase as compared to operating expenses of $481,697 in the same period of 2012. General and administrative expenses totaled $214,409 in the first six months of 2013 versus $160,034 in the first six months of 2012, an increase of 34%, due to an increase in advertising, outside accounting and D&O Insurance and office supplies. Consulting fees increased from $7,867 to $63,963 when comparing the first six months of 2012 versus 2013. The increase was driven by audit fees, legal fees, and other expenses of being a public company, which were absorbed by the parent company under our previous ownership. Salaries, wages and related expenses increased to $319,114 in the first six months of 2013 from $272,910 in 2012, an increase of 17%. This increase was driven by the addition of salaries for management of FHA for being a public company. Selling expenses in the first six months of 2013 were $37,741 versus $40,886 in the comparable period of 2012.

FHA s net income available to common shareholders was $85,162 for the first six months of 2013. This represents a 68% decrease from our net income of $266,946 in the first six months of 2012.

Three Months Ended June 30, 2013 and 2012.

During the three months ended June 30, 2013, FHA recorded revenues of $1,083,188, a 7% decrease over revenues of $1,166,954 for the same period in 2012. The decrease for 2013 reflects a decrease in revenue for the use of our staffing services in Billings, Montana.

For the quarter ended June 30, 2013, cost of services totaled $738,980, a 3% decrease as compared to $758,576 in the comparable period of 2012. This is a reflection of the costs associated with the decrease in revenue. FHA posted a gross profit of $344,208 during the second quarter 2013, versus a gross profit of $408,378 for the second quarter of 2012, a decrease of 16%.

FHA recorded total operating expenses of $290,412 during the second quarter of 2013, a 24% increase as compared to operating expenses of $234,538 in the same period of 2012. General and administrative expenses totaled $108,805 in the second quarter 2013 versus $73,683 in the second quarter 2012, an increase of 48%, due to an increase in advertising, outside accounting, D&O insurance and office supplies. Consulting fees remained flat from $6,223 to $3,711 when comparing the second quarter of 2013 versus 2012. Salaries, wages and related expenses increased to $157,930 in the second quarter of 2013 from $133,650 in 2012, an increase of 18%. This increase was driven by the addition of salaries for management of FHA for being a public company. Selling expenses in the second quarter of 2013 were $17,454 versus $23,494 in the comparable quarter of 2012, driven by a decreased spending for advertising.

FHA s net income available to common shareholders was $53,830 for the second quarter of 2013. This represents a 69% decrease from our net income of $173,900 in the second quarter of 2012.

Liquidity and Capital Resources.

Cash on hand was $313,916 at June 30, 2013, an increase of $105,458 from the $208,458 on hand at December 31, 2012. Cash provided by operations for the six months ended June 30, 2013, was $105,458, an increase of $93,445 over the $12,013 cash provided by operations for the six months ended June 30, 2012. The increase in accounts receivable is a result of the increased revenue experienced during the first quarter of 2013 coupled with slow collection in the second quarter of 2013. The decrease in accrued liabilities was driven by a wage accrual at the end of 2012, which was not required as of June 30, 2013.

Overall, the operations of FHA generated the increase in the cash balance of $105,458 from December 31, 2012 to June 30, 2013.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not required for smaller reporting companies.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")), which we refer to as disclosure controls, are controls and procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Exchange Act, such as this report, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. There are inherent limitations to the effectiveness of any control system. A control system, no matter how well conceived and operated, can provide only reasonable assurance that its objectives are met. No evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected.

As of June 30, 2013, an evaluation was carried out under the supervision and with the participation of our management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that, as of such date, the design and operation of these disclosure controls were effective to accomplish their objectives at the reasonable assurance level.

(b) Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act), occurred during the fiscal quarter ended June 30, 2013 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

Future Healthcare of America is involved in routine legal and administrative proceedings and claims of various types. We have no material pending legal or administrative proceedings, other than ordinary routine litigation incidental to our business, to which we or any of our subsidiaries are a party or of which any property is the subject. While any proceeding or claim contains an element of uncertainty, management does not expect that any such proceeding or claim will have a material adverse effect on our results of operations or financial position.

Item 1A. Risk Factors.

Not required for smaller reporting companies.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table provides information about all "unregistered" and "restricted" securities that Future Healthcare of America has issued during the three month period ended June 30, 2013, which were not registered under the Securities Act of 1933, as amended (the "Securities Act"):

Name	Date	Shares	Value	Description
Kary Pickett	5/24/2013	50,000	$ 7,500	Employee Services
Mark Cassel	5/24/2013	50,000	$ 7,500	Employee Services

Management believes that these sales were exempt from registration under the Securities Act pursuant to Section 4(2) thereof and Rule 506 of Regulation D promulgated thereunder.

Item 3. Defaults Upon Senior Securities.

None; not applicable.

Item 4. Mine Safety Disclosures.

None; not applicable.

Item 5. Other Information.

(a)

None; not applicable.

(b) During the quarterly period ended June 30, 2013, there were no changes to the procedures by which shareholders may recommend nominees to the Company s board of directors.

Item 6. Exhibits .

Exhibit No.

Description

31.1

302 Certification of Christopher J. Spencer

31.2

302 Certification of John Busshaus

32

906 Certification.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FUTURE HEALTHCARE OF AMERICA

Date:	*8/1/13*	*By:*	*/s/ Christopher J. Spencer* *Christopher J. Spencer* *Chief Executive Officer and President* *and Director*
Date:	*8/1/13*		*/s/ John Busshaus* *John Busshaus* *Chief Financial Officer*
Date:	*8/1/13*		*/s/ Denis Yevstifeyev* *Denis Yevstifeyev* *Director*
Date:	*8/1/13*		*/s/ Douglas Polinsky* *Douglas Polinsky* *Director*

Date: *8/1/13*

/s/ J. Gregory Smith
J. Gregory Smith
Director